

DEPARTMENT OF REAL ESTATE

PO Box 187000
Sacramento, CA 95818-7000
916 227-0770



January 30, 2009

Law Offices of Steve C. Vondran
Steve Vondran, Esq.
820 Newport Center Drive, Suite 1100
Newport Beach, CA 92660

Re: Advance Fee Agreement

This letter will acknowledge our receipt of the advance fee agreement and accounting format submitted on behalf of Better Finance and Funding Group Inc on January 27, 2009.

The Department has no objection to the broker's use of the advance fee agreement and accounting format as submitted.

Please note that any changes to the agreement or the accounting format must be submitted to the Department for review before it is used. Any promotional materials that the broker may subsequently wish to use will require our prior review, as well. This includes press releases and announcements related to the broker's advance fee activities.

This letter does not constitute, nor may the broker make any representation that the Department of Real Estate has endorsed or approved any aspect of the broker's business activities.

Sincerely,

Sylvia I. Yrigollen
Senior Deputy Commissioner
Advance Fee Review Section

C: Better Finance and Funding Group Inc
Andre Zakarian, Designated Officer
11810 Babbitt Ave
Granada Hills, CA 91344

Better Finance And Funding Group Inc.

LOAN MODIFICATION SERVICE

CLIENT ADVANCE FEE AGREEMENT

I. Introduction

Andre Zakarian, ("Broker") is a duly licensed real estate Broker in the State of California as referenced by Broker license # 00841470. He is the designated officer for *Better Finance And Funding Group Inc.*, License ID 01426463. This is an advance fee agreement to perform loan modification services.

II. Advance Fee Requested

This Agreement is by and between *Better Finance And Funding Group Inc.* (Broker), by and through its Broker, *Andre Zakarian*, and _____, and _____ the Homeowner/Borrower(s) (hereinafter "*Principal*") beginning this ____ day of _____ month 200 __, (Hereinafter "*Start Date*") in regard to the following loan(s):

FIRST MORTGAGE

Lender: _____ Loan#: _____

Lender Address: _____

SECOND MORTGAGE

Lender: _____ Loan#: _____

Lender Address: _____

THIRD MORTGAGE

Lender: _____ Loan#: _____

Lender Address: _____

Upon execution of this agreement by both Broker and Principal, Broker shall insert the date of the execution of this agreement as the "*Start Date*" in the *Services to be Completed* section (Section IV) referenced below. Broker shall also insert the date upon which each service specified below will be completed. The Failure by broker to

complete any action within the stated deadline provided means that broker is not entitled to earn the fee associated with that activity.

In performing valuable and specified loss mitigation services on your behalf, Broker seeks to collect, and hereby requests an up-front or advance fee in the amount of **\$3,500**. *These funds shall be due and payable to Broker on or before _____.* (No later than five (5) days after the execution of this Agreement).

Payment shall be in the form of cash, check, money-order or any other form of payment acceptable to Broker. All sums of money collected hereunder shall be collected by Broker and broker shall immediately place such funds in Broker's Trust Account which is further identified below.

All fees collected by Broker shall not be deemed "*earned*" until and unless; (1) the services (specified below) are properly performed by Broker, (2) such services are performed within the stated timeframes as designated below, and (3) until such time as a verified accounting is made to Principal.

OUR LOSS MITIGATION SERVICES:

Through open communication with our loss mitigation negotiators, we will try to help cure mortgage default without foreclosure. The loss mitigation services provided by broker includes.

- 1) **Loan modification:** Lenders may agree to modify the terms of your loan, such as reducing monthly payments, reducing loan balances, or the interest rate, or fixing an adjustable interest rate.
- 2) **Forbearance:** A modified repayment agreement that lasts for a period of time. The goal of this plan is to allow you to catch up on any delinquent mortgage payments, while making current payments.
- 3) **Short-sale:** An agreement by the lender to reduce the payoff balance and allow you to sell your home to a buyer that you or your real estate agent has found.
- 4) **Deed-in-Lieu of Foreclosure:** Giving the lender possession and title to your home rather than going through the foreclosure process.

Your fees of \$3500 covers loss mitigation as defined by the four parts listed above. From here on the four parts of loss mitigation will be referred to as solely loss mitigation. Client is aware that any successful part of Loss Mitigation as described will be considered a success and therefore broker earns all fees associated.

REFUNDS/CANCELLATION: The advance fee collected by Broker is refundable at any time upon written request by Principal to cancel this agreement to the extent such fees are not earned. Such written request to Cancel this agreement and seek a refund shall be made to Broker's address listed on the bottom of this Advance Fee Agreement. Broker is entitled to retain any earned fees designated below for services actually performed or rendered on your behalf which were properly performed within the stated timeframes. **ACCORDINGLY, THIS AGREEMENT MAY BE CANCELLED**

OR RESCINDED BY YOU AT ANY TIME BY WRITTEN REQUEST AS SET FORTH HEREIN.

In addition, where Broker fails to perform any or all of the specified services as set forth herein, or fails to perform such services within the required timeframes, Principal is entitled to a full refund of any and all fees not earned by Broker. Such refund shall be made by Broker to Principal within 5 business days to Principals address on file with Broker.

MANDATORY DISCLOSURES

NOTICE: The amount or rate of fees specified in this agreement for services is not fixed by California law. Fees are set by each broker individually and are subject to negotiation between the client (Principal) and the broker.

NOTICE: *California Civil Code Section 2945.5* prohibits any real estate licensee from claiming, demanding, charging, collecting, or receiving any compensation from a person whose residence is in foreclosure until all of the promised services have been fully performed and completed. **DO NOT SIGN THIS AGREEMENT IF A NOTICE OF DEFAULT HAS BEEN RECORDED AGAINST THE PROPERTY.**

Initials Initials

CLIENT (PRINCIPAL/PROPERTY OWNER) CERTIFIES THAT A NOTICE OF DEFAULT HAS NOT BEEN RECORDED AGAINST THE PROPERTY,

Initials Initials

III. Client Trust Account

Broker's Trust Account is Identified as:

**Bank of America
10200 Resenda Blvd.
Northridge, CA
Account # 09895-04754
Phone (818) 994-8200**

All funds advanced by you, and collected by Broker as set forth above, shall be immediately placed in Broker's Trust Account until such time as Broker may perform the specified loan modification services described in detail below.

Upon full performance of such services as described in **Section IV** below, and following the tendering of a proper verified accounting to Principal as required by California Business and Professions Code Section 10146, Broker shall be entitled to withdraw funds in the amount set forth below for the service(s) actually performed. In that event, the designated fee relating to the specified service shall be deemed earned.

Broker shall make a verified accounting to Principal at the end of each calendar quarter and at the completion of the contract.

In the event Broker does not perform each of the Services listed below, Broker shall refund to you any and all amounts not earned by Broker.

IV. Services to be Performed / Earned Fees / Completion Dates

Service to be Performed*	Estimated Fee for Service (Earned upon Full Completion and Verified Accounting)	Service Completion Deadline
(1) Initial Client Consultation / Discussion of services / Signing of Advance Fee Agreement / Open File	No Charge	Execution of Contract triggers "start date" Broker Insert Start Date
(2) Send Document Request to Principal / Authorization to Represent	\$45.00	To be completed by: Broker Insert Completion Date (No later than 7 days after "start date")
(3) Receive Documents from Principal. Copy, Assemble and Review/Analyze	\$145.00	To be completed by: Broker Insert Completion Date (No later than 14 days after "start date")
(4) Create Client Financial Analysis (Debt to Income / Budget / Profit and Loss Statement)	\$295.00	To be completed by: Broker Insert Completion Date (No later than 14 days after "start date")

(5) Create Proposed Loan Modification for Lender Review	\$150.00	<p>To be completed by:</p> <hr/> <p>Broker Insert Completion Date</p> <p>(No later than 14 days after "start date")</p>
(6) Advise on Hardship Letter, Collect & Review	\$65.00	<p>To be completed by:</p> <hr/> <p>Broker Insert Completion Date</p> <p>(No later than 14 days after "start date")</p>
(7) Research Property Comps & Prepare and Submit Broker Opinion of Value (BPO) / Submit Foreclosure Cost / Benefit Analysis	\$325.00	<p>To be completed by:</p> <hr/> <p>Broker Insert Completion Date</p> <p>(No later than 20 days after "start date")</p>
(8) Initiate Contact with Lender(s); Fax/Mail Representation Letter & Obtain Appropriate Lender Documentation; Create Lender Contact /Log Sheet	\$300.00	<p>To be completed by:</p> <hr/> <p>Broker Insert Completion Date</p> <p>(No later than 30 days after "start date")</p>
(9) Arrange and Initiate an Attorney Loan Audit of Client's Loan File(s) which may include the sending of an Audit Summary by Attorney to Lender(s). Fee shall be paid directly to Attorney.	\$475.00	<p>To be completed by:</p> <hr/> <p>Broker Insert Completion Date</p> <p>(No later than 60 days after "start date")</p>

(10) Broker to Pursue Ongoing Negotiation and Communications with Lender(s) and Principal as needed in an attempt to secure loan modification(s).	\$655.00	To be completed by: Broker Insert Completion Date (No later than 120 days after "start date")
(11) Coordinate & Receive Final Loan Modification Documents from Lender(s). Review for accuracy and submit to Principal for Signature. Finalize transaction. Close File	\$1,045.00	To be completed by: Broker Insert Completion Date (No later than 120 days after "start date")

Total Advance Fee Requested: \$3,500.00

NOTE: All letters include postage, assembly time and appropriate cover letters. All document scanning and filing is included. All phone calls include hold time, negotiation-time and log-sheet entry time. Fax preparation fees and fax cover-sheet time is also included as necessary.

V. Attorney Loan Auditing Services

Broker reserves the right to retain an Attorney to audit Principal's loan file(s) and/or have the Attorney send a written Summary of Findings to the Lender(s) should Broker feel that the assistance of an Attorney will benefit the Principal/Client. Before retaining an Attorney, Broker will consult with Client to go over the reasons why Broker feels that an Attorney loan audit will benefit Client.

If Broker and Client are in agreement that the assistance of an Attorney would benefit Client the following Attorney/Law Firm shall be utilized:

Attorney Service Provider:

Firm Name: _____

Address: _____ Phone: _____

Attorney Name: _____ State Bar #: _____

Client understands that part of the advanced fee collected under this agreement (a total of \$475) will be used to compensate the retained Attorney for the services described herein. Any fees the broker will pay to an Attorney will be part of the advanced fee already collected, and will not result in any additional fees charged to Client. In the event the Parties decide not to conduct a mortgage loan audit, Broker shall return the amount collected (\$475) to Principal at the conclusion of the representation.

The requested assistance of the Attorney/Law Firm will be limited to analysis and/or mortgage audit for Truth in Lending, RESPA and/or other predatory lending violations and/or sending a Summary of Findings letter by Attorney to Lender(s).

Client has been fully informed, and Client hereby consents and agrees that no Attorney-Client relationship will be formed or created between the Client and the Attorney. In addition, Client understands and agrees that no legal advice will be given to Client under any circumstances.

Service shall be completed no later than 60 days after Execution of this Agreement ("Start Date") as set forth in Section IV above.

VI. Parties Agree to Cooperate / Timing

Principal and Broker both understand and agree that a successful loan modification requires the cooperation and communication of both parties. Both parties agree to use their best efforts in accomplishing the objectives of the representation. Principal agrees to provide accurate information at all times to broker.

In addition, Principal provides Broker the exclusive authority to speak with lender on Principal's behalf and Principal agrees not to share any communications made between Broker and Principal with Principal's lender(s).

Principal also agrees to notify Broker of any receipt of Notice of Default within 24 hours of Principal's receipt of same.

Time is of the essence with respect to the performance of this agreement. Principal agrees to respond to all Broker inquiries and provide all requested information within 48 hours of receiving a request by Broker.

VII. No Guarantees, Promises or Warranties

Principal understands and agrees that there are no guarantees that any lender will agree to any loan modification or that they will agree on a modification on terms and conditions acceptable to Principal. In addition, Broker makes no guarantee that Broker will cure any default and/or that the Principle will avoid foreclosure. Principal agrees that broker shall not be held liable for any failure to secure a loan modification, (or fail to secure a loan modification deemed acceptable to Principal) on behalf of Principal. Under no circumstances will Broker be responsible for the loss of the Client's home. Broker's liability, if any, to Principle shall not exceed the total of fees paid by Principal to Broker pursuant to this Contract.

VIII. Legal Advice

Principal understands and agrees that Broker and its agents and employees are not attorneys and cannot and will not give legal advice under any circumstances. Therefore, Principal agrees not to rely on any information provided by Broker and/or its employees,

agents and staff as legal advice. If Principal has any specific legal questions Principal agrees to contact an attorney for legal advice. In the event Broker is successful obtaining a loan modification and if the lender submits a loan modification proposal, Principal understands that Broker recommends that Principal obtain the advice of a licensed attorney to ascertain the legal consequence of any loan modification option or proposal that Principal may consider accepting.

In the event Broker is not successful in obtaining a proposed loan modification that is acceptable to Principal and Principal(s) lenders, Broker may, at its option, refer Principal to legal counsel for the purposes of examining and exploring its legal rights in regard to protection under Federal or State bankruptcy laws and/or other options to protect Principal's assets. Principal is not obligated to pursue any such referral and in the event Principal does, there shall be no referral fee of any kind paid by any Attorney to Broker. In the event Principal retains legal counsel, by signing this agreement Principal agrees to the release by Broker of any information requested by Principle's legal counsel.

IX. Indemnification

Principal agrees to indemnify, defend and hold harmless against any claims, judgments, damages, or causes of action brought or obtained against Broker arising out of or related to the inaccuracy of any information provided by Principal to Broker and used by Broker in the performance and/or furtherance of this agreement.

X. Party Signatures / Acknowledgement

By signing below, each party indicates and agrees that they agree to each and every term of this agreement. If any portion of this contract is deemed unenforceable all other non-offending terms shall survive. This agreement shall be effective upon execution by Principal and Broker ("*Start Date*").

Hereby Read, Understood and Agreed:

_____	_____
Principal	Date
Co-borrower (if any):	
_____	_____
Principal	Date
_____	_____
Andre Zakarian, Broker	Date

California Department of Real Estate License #01426463

Better Finance And Funding Group Inc.

Client ("Principal") Trust Account Adjustment Notification

This Trust Account Adjustment Notification ("verified accounting") is being provided in order to; (a) provide you with an accounting of the advance funds Broker has collected; (b) provide you with an accounting of amounts expended for services rendered within stated deadlines and; (c) to provide you with an accounting of funds remaining in Broker's Trust account.

Principal(s) Name(s): _____

Today's Date: _____

Broker's Trust Account is identified as:

**Bank of America
10200 Resenda Blvd.
Northridge, CA
Account # 09895-04754
Phone (818) 994-8200**

Client's First Mortgage

Lender Name: _____

Lender Address: _____

Loan Account#: _____

Date Package Submitted to Lender: _____

Client's Second Mortgage

Lender Name: _____

Lender Address: _____

Loan Account#: _____

Date Package Submitted to Lender: _____

Amount of Advance Fee Originally Deposited with Broker: \$ _____

Date Original Advance Fee Deposited with Broker: _____

11810 Bobbitt Ave., Granada Hills, CA 91344
Phone: (818) 667-2832 Fax: (818) 831-4083

Verified Accounting for Services Rendered

This is a Verified Accounting for Services Rendered from _____ to _____.

Description of Service Rendered:

_____.

Your account has been debited pursuant to the Broker-Client Advance Fee Agreement signed on:
_____.

Debit Amount: _____. Total debits to date are: _____.

Your remaining balance is: _____.

BROKER IS AUTHORIZED TO TRANSFER THESE FUNDS OUT OF YOUR CLIENT TRUST ACCOUNT WITHIN 5 BUSINESS DAYS OF YOUR RECEIPT OF THIS LETTER. IF YOU HAVE ANY QUESTIONS, CONCERNS, OR OBJECTIONS, PLEASE MAKE THEM KNOWN TO BROKER AS SOON AS POSSIBLE BY CONTACTING US AT:

(818) 667-2832

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

(Date and Place)

Andre Zakarian, Broker
Broker License #00841470

California Department of Real Estate License #01426463

11810 Bobbitt Ave., Granada Hills, CA 91344
Phone: (818) 667-2832 Fax: (818) 831-4083